Passive Income in 2020: 2 Proven Ways to Earn Money While You Sleep

Description

There are many ways to earn passive income in 2020 and increase your spending power or build your savings for future use. But there are two legitimate and proven ways to make money, even while you're asleep.

Investing in real estate properties for rental income and owning dividend stocks deliver the highest returns. Buying stocks doesn't require much capital. However, purchasing hard assets would entail more considerable cash. As a substitute, some investors opt for real estate investment trusts (REITs) to earn rental income like a landlord.

Quality REIT

SmartCentres (TSX:SRU.UN) is a quality real estate stock. This $5.32 billion REIT is a perfect hedge against inflation and a safeguard versus recession. Its real estate portfolio consists of power centres or value-oriented, unenclosed shopping centres, retail stores, and destination outlets.

You're investing in strength and diversity if you purchase SmartCentres shares instead of owning physical property. About 115 properties have **Wal-Mart** as the anchor tenant, although there are other prominent names in from the 3,100 tenants.

Since the real assets are where Canadians usually shop, SmartCentres generate recurring and stable rental payments from its prominent national and regional tenants. The businesses are profitable even during a slowdown in the economy.

For $31.54 per share, this REIT will pay a dividend of 5.87%. Any amount of investment will double in in fewer than 12.5 years. Also, seed money of $25,000 can produce $122.30 in monthly passive income. You can forget about investing in an actual real estate property and still make money like a true landlord.

Stellar dividend stock

Keyera (TSX:KEY) is a permanent fixture in the stock portfolios of many Canadian retirees. This $7.4 billion oil and gas midstream company has been operating in the energy industry for more than two decades now.

The company is in the business of transporting, storing, and marketing natural gas liquids (NGLs) and iso-octane in Canada and the U.S. Its Gathering and Processing business units operate a network of roughly 4,000 kilometres of pipelines.

Also, Keyera has 17 natural gas processing plants that are located on the western side of the Western Canada Sedimentary Basin. The company has grown to be one of the largest independent midstream companies in Canada.

Since 2016, Keyera has been displaying consistent growth and paying a handsome dividend. You can own the stock for $34.38 per share and receive a 5.58% dividend in return. A $10,000 investment can produce $558 in annual income.

Historically, a $10,000 investment made 10 years ago delivered a total return of 341.21%, including the reinvestment of dividends. The ending investment amount is $44,136.53.

Moving forward, Keyera expects to have more expansion projects in Western Canada. This energy stock is likewise ideal for an RRSP or long-term investor.

Passive income in 2020

SmartCentres is the next-best alternative to direct ownership in rental property while Keyera is the key to earning generous dividend payouts. You don't have to look elsewhere for income-producing assets.

Your goal of earning passive income in 2020 is achievable if you can save enough to purchase both stocks. After buying, you can sleep in peace and be contented.

CATEGORY

1. Dividend Stocks
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POST TAG

1. Editor's Choice

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1. TSX:KEY (Keyera Corp.)
2. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

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